

HUNS MAKING BAD MISTAKE IN ESTIMATE OF UNCLE SAM

Lloyd George Sees Rude Awakening For Germans When They Come To Realization of What United States Advent Really Means

DEXTEROUS PERFORMANCE FACING ALL DIRECTIONS

Speech of Michaelis Is Picked To Pieces By British Premier and Weak Points Selected For Caustic Comment and Criticism

(Associated Press by U. S. Naval Communication Service)
LONDON, July 22.—Germany is engaged in its old practice of fooling itself by its own talk, thinks Premier Lloyd George, and it is only getting ready for another rude awakening.

"The Germans are making the same mistake of underestimating America that they did when they underestimated Great Britain," said the Premier yesterday, in an address in which he answered the speech of Chancellor Michaelis, delivered in Berlin on Thursday.

"I think that the Germans have discovered that they made a sad mistake in the matter of the British, and I think they are going to go through the same process with the Americans before they are out of this war. If Great Britain, which is not a large country, in the third year of this exhausting war is able to turn out millions of tons of shipping, is America, with twice our population and with her endless resources, going to lose?" he asked.

Referring to the statement of Michaelis that the United States has no ships and no army and is not in a position to transport any number of troops, Lloyd George said that it is evident the German chancellor knows as little about America as the average German appears to know about England.

He described the speech of the chancellor as a "dexterous performance, facing all ways." If the Germans should win in the west and be able to help the Turks drive the British out of Mesopotamia, then that speech means that Germany will make such annexations as pleases her and it means that a firmer military autocracy will be fastened upon Europe.

The one certain thing the speech of the chancellor demonstrates is that for the moment militarism is in the German saddle again.

"I can see in the speech," said the Premier, "the promise of a sham independence for Belgium, the holding out of a sham democracy for Germany and the bringing about of a sham peace for Europe. But Europe has not sacrificed millions of her sons in order simply to set up a sanguinary sham."

Commenting further on the speech of Chancellor Michaelis in the imperial diet at Berlin, he said that if Germany were victorious it would mean the establishment of a military autocracy on a firmer foundation than the world has ever seen. Continuing the prime minister said, that the food situation was on a sound footing, enough having been secured and under cultivation to dispel the spectre of famine for a year. "We do not want Germany to harbor the delusion that Britain will not fight until full liberty is established."

Unless Germany's military leaders are wiped out, Europe would again be plunged into a repetition of the fearful bloodshed that she had seen during the past three years. Britain, he said in conclusion, would this year launch four times the tonnage in ships as had completed last year.

von Tirpitz May Lead

Kreis linking out from Germany would indicate that von Tirpitz is expected to seek a seat in the Reichstag in order to become leader of the National Liberals.

DRAFT LISTS PUT IN PRINTER'S HANDS

Copies Are To Be Mailed To Exemption Boards By Tuesday of This Week, Is Expectation

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 22.—Early yesterday morning the drawings for the first selective draft were completed and later in the day the full lists were sent to the printer marking the completion of the first two steps and the beginning of the third which will be the sending of the printed lists to the exemption boards of the various States. This is expected to be done not later than Tuesday. Certification of the results will meantime be made by the officials here. No further drawing will be necessary.

When the exemption boards receive the lists in the various districts the drafted men will be called upon to appear and take their examinations and if they have any claim to exemption to make statements of such claims. Judge Advocate General Crowder yesterday afternoon thanked the newspapers of the country for the assistance which they have rendered. They published the regulations relating to the draft accompanying the lists of those drawn in their issue today.

Thus far forty-three States have named all of the district exemption board but the work is going right ahead without waiting for the States that are backward.

Senator G. E. Chamberlain of Oregon yesterday declared "the draft drawing was conducted with the most absolute precision. It proved conclusive," he said, "that the draft plan is the fairest that could be devised, distributing the burden equitably. Men drawn ought to feel honored that they have been selected to serve their country."

INTERVENTION IN SHIP ROW COMING

President Finds It Necessary To Take Steps To Bring Settlement of Controversy

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 22.—Belatedly, but recognizing that it is hardly possible to do otherwise, the President determined yesterday to intervene in the shipping row that has tended to halt all progress in shipbuilding and to make abortive the plans of the government to supply its allies with food, supplies and munitions.

He reached this decision after the receipt of a letter from General Goethals, in which the latter offered to resign and step aside if by so doing he could help the situation in any way.

What course President Wilson will pursue in this embarrassing controversy is unknown, but it is believed that he desires to retain both General Goethals and Chairman Deman and will shape his plans accordingly. It is considered probable that his first step will be to make an appeal to their patriotism and will urge them to bury their differences and get together on a plan that will be acceptable to them both and of use to the nation.

Both Goethals and Deman are men firm in their convictions and of determined nature. These qualities they have shown throughout the controversy, and while they are characteristic admirable in most instances, in this one particular situation they have tended to add complications and difficulties. It is believed Wilson feels that the country cannot well afford to dispense with the services of either one of them and will place its need squarely before them both.

STREET CAR STRIKE IN SEATTLE ALARMS

Conditions Grow Serious When Strike Breakers Are Brought In: Police In Sympathy

(Associated Press by U. S. Naval Communication Service)
SEATTLE, July 22.—Strike conditions throughout the city as the result of the attempt to operate the street car system with strike breakers are rapidly growing serious, especially as the police are apparently in full sympathy with the strikers and the fire department men are fully organized and cannot be depended upon in the event of being called out for riot duty.

There were riots yesterday in which twenty of the participants were seriously injured and hundreds were hurt in minor ways during the fighting. The police, in several instances, refused to do their duty and, under orders of Mayor Gill, sixteen of the officers have been placed under arrest for refusing to accompany strikebreakers going out as crews on the cars.

These police announced that they too had struck. The charge placed against them by Mayor Gill is of malfeasance in office.

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RUSSIANS REGAIN MORALE AND STAND

Teuton Attacks Halted and Gains Made On Rumanian Front: German Attacks Costly

(Associated Press by U. S. Naval Communication Service)
NEW YORK, July 22.—Better morale was evidenced by the Russian troops than since the news of dislocations in Petrograd and the efforts of the extremists came to them. Despatches from Petrograd report that several attacks by the enemy on various Russian positions along the Lomina River were successfully met, and repulsed with heavy losses inflicted.

Also from Petrograd came the report that on the Rumanian front counterattacks had beaten back the Austro-German forces along the Sereth River and several positions had been gained and retained and that a German aeroplane was downed in the Carpathians.

Earlier reports had not been so encouraging for they spoke of ground lost through failure of troops to obey commanders' orders by reason of disaffection roused by extremists. Those reports added, however, that the retreat had been halted, and a number of strong strategic points covered.

Berlin, on the other hand, claimed that all Russian attacks and attempted advances north of the Donist had failed. It added a claim to the capture of a Russian height. They claimed an advance of forty kilometers in Galicia and that the Russian forces were demoralized and in full retreat.

On the British front four German aeroplanes and a railway junction were bombed during air raids. Teuton flyers attacked in an effort to repel and in the fighting which followed nine were brought down while all the British aircraft returned within the lines safely.

On the Belgian front the British conducted several successful raids, harassed the Teutons and took a first line of trenches.

Teuton attacks on French positions on the Alsace front were costly for although they penetrated the French lines at two points they were unable to hold their positions, were hurled back and at other points were repelled with heavy loss.

STRIKE IS CALLED IN LEADVILLE MINES

Two Thousand Men Out and Fifty Producing Properties Affected: Agitators Free

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 22.—The department of labor was yesterday informed from Leadville, Colorado, that the anticipated strike of metal miners in that district had come and that 2000 miners were out. The strike affects fifty producing properties and a number of smaller leases employing such a small number of men. No request for an intervention or investigation has yet been received.

From Columbus, New Mexico, came word that the I. W. W. leaders and labor agitators who were expelled from the Warren Mining District in that State had been following the strike in the copper mines there, seem well satisfied where they are. They were informed by the army officer in charge of the camp where they had been detained that they were at liberty to go where they would and that detention was at an end. Following the announcement they debated on what action to pursue and then took a vote. Their determination was to remain where they were until they could learn what if any action the government would take in seeking redress for them for their expulsion from the mining camp.

DISTRICT ATTORNEY'S RECALL IS SOUGHT

(Associated Press by U. S. Naval Communication Service)
SAN FRANCISCO, July 21.—Petitions bearing the names of 15,000 signers, demanding the recall of District Attorney Pickens have been filed as an outgrowth of the Oxnard charges during the Mooney trial. The petitions are circulated by the labor party.

NORMAL CONDITIONS AGAIN IN BARCELONA

(Associated Press by U. S. Naval Communication Service)
MADRID, July 21.—Premier Dato is using a statement today declaring the situation at Barcelona as normal. Six were wounded in yesterday's outbreak as a result of an attempt to hold an unauthorized session of parliament. Strikers who attacked a train at Valencia were dispersed by troops.

GREAT FACTORY FOR AIRCRAFT IN GERMANY

(Associated Press by U. S. Naval Communication Service)
GENEVA, July 21.—An immense factory for the manufacture exclusive of airplanes is in process of construction at Friedrichshafen, Germany, in an endeavor to meet the extensive air force.

General Decrease in Living Costs Freely Forecasted

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 21.—The treasury department has revealed all licenses thereby German serums and vaccines were imported into the United States in neutrals, on the ground of the inability to inspect plants owing to war conditions.

PLAN SPEECH IS CONFUSING IN SESSIONS OF REICHSTAG

Two Socialist Party Leaders Create Consternation By Contradicting Statements Made In Speech of Michaelis Before Body

"SUBMARINE ILLUSION HAS BEEN BROKEN DOWN"

Radical Speaker Says It Necessary To Form Republic In Order To Secure Peace Then By All Means Let Republic Be Established

(Associated Press by U. S. Naval Communication Service)
COPENHAGEN, July 22.—Plain speaking on the part of the two leaders of the Socialist parties represented in the Reichstag threw that body into confusion on Friday. One leader denied all that Chancellor Michaelis had claimed in regard to the use of the submarines, while another leader came out flatly in advocacy of the immediate establishment of a German republic.

Extended reports of the Reichstag proceedings were received here yesterday in the files of the Hamburg papers, which devote the greater part of their space to the publication of the telegrams from Berlin.

Scheidemann Led Attack
The leader of the assault upon the new administration and his declarations for further fighting until the Entente confessed its defeat was Philipp Scheidemann, the party leader of the majority Socialists in the Reichstag. It was Scheidemann who, recently returned from Stockholm with the blunt announcement that only a democratized Germany could hope for liberal terms from the Entente, and he renewed this claim in opposition to the assertions of Michaelis that Germany had proved herself invulnerable and that the unrestricted use of submarines was bringing Great Britain to her knees.

"This submarine illusion has been broken down," declared Scheidemann. "The advance claims of the admiralty are not being fulfilled and the destruction of British shipping we have accomplished has not materially affected the food situation in England. The world knows it."

Radical Wants Peace
Herr Hasse, who is the Reichstag leader of the Radical Socialists, the minority wing of the Socialist party, followed Scheidemann in a bitter attack upon both the home policy and the foreign policy announced by the imperial chancellor. Speaking plainly, Hasse demanded that the terms of the resolution voted by the Reichstag be carried out and that immediate peace negotiations be entered into.

"If it be necessary to establish a republic in order to secure peace, then let us establish that republic," he shouted. He advocated the establishment of a Socialist republic.

Says Submarine
General Ludendorff, speaking in the German Reichstag yesterday, declared that "in the submarine policy the supreme naval command desired to hit the enemy's war industries, and already through the U-boat campaign our enemies in the west had been greatly relieved."

"We expected through our submarines to break England's ability to continue the war by lessening the tonnage, a fulfillment which will come despite the entry on the side of the Allies. Then the much desired peace will follow," he said.

FOOD PRICES TO BE LOWER IN ENGLAND

(Associated Press by U. S. Naval Communication Service)
LONDON, July 21.—Baron Rhonda, president of the local government board and member of the British cabinet, predicts a general decrease in the high cost of living throughout Great Britain within a short time and a very substantial decrease with the most alluring. "There will be a drop of twenty-five per cent in the price of food very soon, he says, while the birds now being made for the meat supply for the army show a decided dropping in the prices."

By the first of January there will be a thirty per cent cut in the present prices of nearly all foodstuffs.

SERUMS FROM GERMANY WILL BE BARRED OUT

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 21.—The treasury department has revealed all licenses thereby German serums and vaccines were imported into the United States in neutrals, on the ground of the inability to inspect plants owing to war conditions.

QUARANTINE BARRACKS FOR SOLDIERS PLANNED

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 22.—An anticipation of the return to America of soldiers from the fighting fronts of Europe of many sick and wounded soldiers, some of whom may be bringing contagion with them, the government yesterday determined to build a number of quarantine barracks. These will be at various points along the Atlantic seaboard that have yet to be selected and announced.

TONNAGE INCREASE
GREATER THAN LOSS

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 21.—According to the best available information the command of government officials here statistics show that since the beginning of the German ruthless submarine campaign four times the amount of tonnage built has been lost. Millions of tons dead weight monthly have been sent to the bottom, and their cargoes lost.

UNCLE SAM TO CONTROL AIR

Aviation Bill Passes Senate

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 22.—Without prolonged debate the Aviation Bill passed the senate yesterday afternoon. It had already passed the house and now goes to President Wilson who is expected to sign it Monday.

Under the Aviation law the way is opened for the United States to play a part in the war which has been termed the most important and most essential of any that could be undertaken, securing control of the air for the Allies and smothering the air forces of the Huns by force of numbers of machines and men and in strength, skill and bravery.

Under the provisions of the bill there is appropriated \$240,000,000 for the construction of air craft, conduct of aviation training stations and the establishment of first camps and later bases for the aviators. Twenty-two thousand strips are to be built under the terms of the bill and an army of 100,000 men will be required for the operations of the great project. Of these 11,000 will become licensed aviators and the remaining 89,000 will be mechanics or employed in other necessary capacities in this branch of the service. One aviator for each two machines are all that are deemed necessary in the first instance but the quota can be increased from the army of 100,000 which will make up the United States Aviation Corps.

Debate Carefully Controlled
The debate in the senate lasted less than an hour and was general rather than specific in character, just as it had been in the house, at the request of the war department, lest in the debate too much information should be furnished to the enemy relative to United States war plans.

An amendment introduced by Senator Harbord to the draft provisions of the bill failed of passage. This provision was one which was objected to by pacifist senators and some others who claimed that taking men by draft

for the aviation corps was drawing them for extra hazardous service and would be a discrimination against such as might thus be selected.

Vital Importance Recognized
The house passed the Aviation Bill on the day that it came before it as special order of business, owing to its vital importance in the war policy of the nation. In the senate an effort was made to make the bill a special order of business, even over the food control legislation, but in this movement dissent was needed and the plan was blocked by Senators LaFollette and Groner, of the pacifist faction. It was finally considered in the regular order of business following the passage of the food control bill.

Plans for a great fleet of aircraft and an army of aviators and mechanics were first suggested by the Aero Club of America, but the scope of those plans were small compared to what has ultimately emanated from the senate. The Aero Club plans were endorsed by the council of defense and submitted to the war department and to the army. Both endorsed the general terms of the measure but added to its scope and to the size of fleet and army. Next the President endorsed it, the bill was drafted, written to the house and its course through that body and the senate was expedited as few measures have been during the present notable session.

While the United States will furnish the machines and the aviators, the trainers are to be furnished by the Allies from the seasoned flyers they have developed during the war. Numbers of these are Americans who have distinguished services themselves and can now be utilized for the even more useful training work.

In America will be built the machines needed for training aviators while most of the actual war machines will be built abroad. There are to be aircraft of various types which will include war balloons and dirigibles as well as heavier than air machines.

FOOD CONTROL BILL PASSED BY SENATE

Measure Must Now Go Back To Lower House

(Associated Press by U. S. Naval Communication Service)
WASHINGTON, July 21.—The senate today passed the food control bill by the overwhelming majority of 81 to 6. The President is given broad powers over all foods, feeds and fuels. The bill will now go back to the house and undoubtedly to a conference committee.

The bill provides for the appointment of three administrators. The maximum price of wheat is fixed at 25, thus eliminating any chance of manipulators hoarding prices.

Further use of grain for distillation purposes is also prohibited, and the President is empowered to buy all spirits now in bonded warehouses for war purposes if he should deem it necessary.

Pershing Visitor To British Lines

BRITAIN'S ACTIONS ARE CALLED BRUTAL

(Associated Press by U. S. Naval Communication Service)
COPENHAGEN, July 21.—The seizure and destruction of German shipping in neutral Dutch waters was declared by Krieger, of the foreign office, to the Reichstag, as a "brutal assault upon defenseless merchantmen and a prodigious act."

He said Germany argued Holland to demand an apology and a guarantee against further violations in Dutch waters. Assurances were given that Holland would demand the fullest satisfaction for such an unheard-of act.

COURT MARTIAL IS ORDERED ABANDONED

(Associated Press by U. S. Naval Communication Service)
SAN FRANCISCO, July 21.—The war department has ordered the abandonment of court martial proceedings against Capt. George Pond, as the alleged offense was purely technical, and did not warrant the time which such a trial would demand.

The offense was the disposing of junk which he authorized sold.

GERMAN WORK MUST END OR RUSSIAN FATE IS DETERMINED

Korensky Appeals To Patriotism of Soldiers and Sailors and Points Out Disasters That Must Follow Course of Past Few Years

(Associated Press by U. S. Naval Communication Service)
PETROGRAD, July 22.—Premier Kornesky, in the orders of the day issued yesterday to the army and navy, makes an earnest appeal to the patriotism of the soldiers and sailors to save Russia. He orders the immediate arrests of all troublemakers doing Germany's work and acting as traitors and warns the fighting forces of a continuance of their present unpatriotic stand.

The new premier and minister of war directs the dissolution of the central committees of the Baltic fleet and the election of new committees. He desires, he says, the prompt removal from positions of any authority all those suspected of having taken part in inciting the sailors against the offensive warfare desired by the government.

ORDERS MANY ARRESTS
He has ordered the arrests of the counter-revolutionists on the battleships Petropavlovsk, Republic and Slava and the removal of these men to Petrograd for trial, and he brands as traitors to Holy Russia and to the cause of the Slav Republic all those who refuse to carry out this order.

"The country has been brought to the brink of a precipice through the treason of a few men," says the order of the day. "As a result of treachery the Germans have been allowed to take the offensive on land and it is possible that the enemy's fleet may attempt to take advantage of the confusion to attack and destroy our ships in the Baltic."

GERMAN PLOT FAILED
"Drastic measures are required to prevent this danger. Our army has been tried and has in the main resisted the blandishment of the agents of the enemy. The fleet must follow the example set by the army."

"The disorders in Petrograd, brought about by Germany, have now been completely suppressed and the leaders of the misguided movement against the central government are being arrested as rapidly as they can be run down."

The orders of the minister of war designate General Korniloff as commander-in-chief on the southwestern front, in succession to General Goutar.

Thirty-six extremist delegates en route to spread their propaganda among the sailors of the Russian Baltic fleet, were arrested Friday. The disaffection among the troops at the front shows signs of spreading, more troops having arrived here from the front.

TONNAGE INCREASE GREATER THAN LOSS

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DON'T NEGLECT YOUR FAMILY.

When you fail to provide your family with a bottle of Chamberlain's Colic, Cholera and Diarrhoea Remedy at this season of the year, you are neglecting them, as bowel complaint is sure to be prevalent, and it is too dangerous a malady to be trifled with. This is especially true if there are children in the family. A dose or two of this remedy will place the trouble within control and perhaps save a life, or at least a doctor's bill. For sale by All Dealers, Benson, Smith & Co., Agents for Hawaii.